

looking ahead

... A monthly report by the National Planning Association on forward-looking policy planning and research—announced, underway, and completed—of importance to the nation's future

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FOREIGN SERVICE

the people of NPA

The National Council of the National Planning Association

by William L. Batt

Chairman, Membership Committee,
The National Council

AN OFFICIAL statement has already been issued covering the plans for the establishment of a National Council of the National Planning Association and I shall not repeat those details here. Rather I should like to say something about the broader purposes of NPA as I see them, and the ways in which that larger group of representative Americans who will compose the Council can improve NPA effectiveness.

First let me comment on the place of the planning function in the operation of our American democratic society. That this complicated and vast structure cannot operate like a Topsy will, of course, be taken for granted today by most of us. And yet there is a substantial body of our citizenry who automatically view with apprehension any proposals carrying a planning label, in the fear that here are the seeds of a socialistic society.

The concept of studies and recommendations "of the people, by the people and for the people" is the basis on which NPA is carried forward, and when so understood and evaluated, receives widespread support.

The foundation on which NPA is built is unique. A membership first of individuals, thinking and speaking on their own responsibility, not for firms, not for organizations, not for professions or units of government, certainly not for politics, but for themselves, and from their own personal convictions.

Most importantly, these individuals are from no single group of our economy nor from any limited geographical area. With every care, their selection is balanced as between capital and management, labor, agriculture, and the professions. It is, however, vital to remember that they do possess one single common and all-important characteristic, that they shall all be men of conviction, devotion to the good of the whole country, and with a

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PRESIDENT EISENHOWER—
on the subject
of looking ahead ...

"But I do believe this dreaming, this looking ahead, is well to do, because it encourages the broad surveys, as I understand it, that you are preparing to make, so that the things we do today will not be antagonistic to, but, on the contrary, will be in the furtherance of the achievements of these broad aims. In other words, we think in terms of decades, not merely in terms of months, or the next election, or anything else that is temporary and passing."

From an address by the President to the Mid-Century Conference on Resources for the Future. See Conference report page 6.

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substantial measure of community acceptance.

Such men and women can intelligently and usefully "Look Ahead." I emphasize the usefulness of their work since it is so definitely established. This is particularly true of recommendations which should desirably result in legislative enactment. Legislators are today subject to a constant and increasing barrage of proposals for new laws covering such a vast variety of subjects and interests that no single individual can be expected to cope with the problem.

And yet they must take definite positions on many of these and the consequences of their action may be far-reaching.

OBVIOUSLY a study bearing the imprint of the National Planning Association will be more helpful because of the background of diversified interest and experience from which it comes. Any recommendation which results from the combined effort of men of management, labor, and agriculture will obviously be easier of acceptance by one attempting to serve the whole community, since the areas of disagreement will have been avoided or indicated and the areas of agreement clearly pinpointed. The further fact that NPA research is completely free of group pressure, gives it a unique value to those in decision-making places in government.

Such planning by citizens of widely dispersed background and experience, and always against the sole background of the public interest, can be found nowhere else in the world. I do not think it an exaggeration to attribute a measurable part of the outstanding position of the United States vis-a-vis the rest of the world to this sort of citizen cooperation in civic affairs.

Nowhere else--I repeat nowhere else--do you find, on any remotely comparable scale, business leaders, labor leaders, leaders in agriculture and the professions coming together freely and studiously, seeking to find larger and larger areas of agreement in the public interest. Nowhere else do you find such men accepting burdensome public responsibilities in their communities.

It may well be said that it is this sense of devotion to the best interests of the country as a whole as distinct from the narrower interest of an individual business or industry or other group that has carried the United States, with all its possible conflicts and readjustments, to its present stature.

NPA has had a significant place in this historic national development over the past twenty years. It must continue aggressively to look for ways to improve the quality of its work and to get that work before more and more of the public. Press releases are good and necessary but they are not enough.

There must be a more intimate contact with the thinking of those representative groups out over the country who influence local public opinion, and this thinking should desirably assist NPA work in all its stages. When completed reports are available, their content should be more widely and intimately available to every type of group all over the country.

It was in the hope of carrying out these difficult objectives more effectively that the Board of Directors of NPA proposed to create the National Council. Here will be found that diversified group of civic thinkers and leaders who can bring to NPA's Committees an invaluable picture of the country's problems as they are seen in more precise perspective; who can take out from NPA to their individual circles of influence a variety of valuable studies and reports of national significance not available from any other source.

Let me close this word of appreciation to all those who have helped to make the Council a reality, by admitting that it is far easier to delineate its desirable objectives than to work out the specific ways of carrying them out. In developing the largest field of practicable usefulness of the Council, the suggestions of its members will be invaluable. The Board and the various Committee Chairmen will be most grateful for them. Only by that joint effort can the full possibilities of this outstanding group of citizens be adequately utilized toward that contribution to the public welfare of which it is so capable. ◀ ◀

Coal and Steel Community

READERS interested in the problems, achievements, and emerging significance of the European Community for Coal and Steel will find a new series of bulletins published by the Community's High Authority to be of help.

Evaluating the Community as a "true government with sovereign powers" in its sphere of operations, the bulletin started off in October 1954 with a general discussion of why the Community was formed, how it is organized,

and what its activities are. In the past two issues labor's role in the Community and the specific relation of Belgium to the Community were considered.

(From: European Community for Coal and Steel, Information Office, 222 Southern Building, Wash. 5. Monthly. 8 pp. Free.) ◀

Beginning Farmers

NATIONWIDE interest in the problem of young families who have begun farming since World War II is revealed by the widespread response to NPA's report on "Beginning Farmers -- A Vulnerable Group in American Agriculture."

The report is being used extensively in agricultural education and extension work. Bulk copies have been purchased, for example, by the College of Agriculture at the University of Illinois and Iowa State College. The Administrator of the Agriculture Department's Federal Extension Service has incorporated some of the findings in his talks before the annual conferences of state extension services. State extension directors also have had the report called to their attention in an Agriculture Department's newsletter on current developments.

Newspapers throughout the country -- in Utica, N. Y.; Columbus, Ga.; Topeka, Kan.; Albuquerque, N. Mex.; and Salem, Ore. to mention a few -- carried stories on the report and the Agriculture Committee's recommendations.

"The country needs 80,000 new families as agricultural replacements every year... The National Planning Association's recommendations are much to the point. The very fact that the farm population is decreasing makes it the more necessary that those who engage in agriculture have every chance to do their job well." (Boston "Globe")

"We are accustomed to reading about the need for teachers, for nurses, for engineers, for scientists trained to the highest degree, but we never have read of the need for more farmers -- that is until we received a pamphlet from the National Planning Association.... It is good to know that the National Planning Association is advertising the desirability of lending a hand to these young men and women who wish to farm." (Ogden, Utah "Standard Examiner") ◀ ◀

— the people of NPA —



Clinton
S.
Golden

NPA Vice Chairman Clinton S. Golden, often informally called "labor's ambassador to management," is an internationally known labor leader with nearly 50 years of service in the labor movement. He is now Executive Director of Harvard University's Trade Union Program. Chairman of NPA's Labor Committee and member of its Steering Committee, Mr. Golden originated the idea of NPA's pioneering study of The Causes of Industrial Peace Under Collective Bargaining. He began his career at 12 as a drill tender in a Pennsylvania coal mine, later worked as locomotive fireman, then as a machinist. After taking three years out for farming and organizing farmers' cooperatives, he was named senior mediator for the Department of Labor and Industry by the Governor of Pennsylvania in 1934. In 1936 Mr. Golden joined the Steelworkers Organizing Committee and later became Vice President of the United Steelworkers of America. He was vice chairman of both the War Manpower Commission and the War Production Board. As Chief Labor Adviser to the American Mission to Greece in 1947-48 he helped rebuild the free trade union movement in that country. Mr. Golden believes that when unions and management, recognizing their common interests, work together they can cut costs, increase profits, pay higher wages, and raise the American standard of living. He also believes in the "growing constructive influence of American labor organizations" in "the development of peaceful international relationships, human happiness and well-being."

"When a country leads the world in national wealth and in the productivity of its industry it is natural that the rest of the world should be curious."

A British Analysis of U.S. Industrial Engineering Practices

AMERICA'S achievements in expanding productivity continue to attract the attention of foreign industrialists, labor leaders, and government specialists who want to build sound economies and improve living conditions in their own countries. For this reason, scores of foreign productivity teams have visited the United States to study our industrial organization and techniques. They have attempted to determine whether methods which flourish in the American environment can be transferred to other countries to produce similar results in promoting greater productivity.

A report of the Anglo-American Productivity Council on industrial engineering in the United States considers the transferability of industrial methods and cautions Britons to do "more than watch and wonder from afar," but rather to adopt many of our forward-looking practices. Preparatory planning; costing and financial control; design, standardization, and quality control; and employee suggestion schemes, among others, are examined in some detail by the report insofar as they clarify the "dynamic and aggressive American approach to improvement of methods of manufacture and to continuous reduction of operating costs."

The conclusions of these expert foreign observers are significant for their interpretation of what is best in American industrial life and for their understanding of the economic and social conditions basic to the "American approach." American business practices and techniques stand out more sharply, and the interrelated factors that make for successful operations appear more clear and understandable when seen through the analytic eyes of these outside observers.

WHAT COMPELS American industry to achieve the most economic usage of men, materials, machines, and money, according to the report, is the "sharp and urgent competitiveness of the U.S. economy." Other important contributions are industry's confidence in an ever-expanding market, the greater availability of finance for capital in-

vestment, the lower impact of taxation, a nonstratified society, and high wages.

Particularly impressive to the British team was the attention paid by top management to preparatory planning. Such planning, according to the report, enables the American manufacturer "to take what appear to be serious risks." Market research to determine whether demand for a new product exists, and early cooperation among interested departments to ensure efficient production characterize the planning process.

The desire to obtain as much information and as many points of view as possible about new methods is a general feature of American industrial life, says the report, as well as an important element in pre-production planning. Members of the productivity team noted that U.S. manufacturers were more willing to exchange plant visits and data than were their British counterparts. Also surprising when compared to British practice was the importance of industrial consultants and management groups in fostering the consideration of new ideas and the use of new techniques. The role of the technical press in the United States is markedly different too, the report points out, insofar as it maintains close contact with industry, organizes conferences between key businessmen and editorial staffs, and occasionally provides consultant advice.

A substantial part of the report is concerned with the problem of obtaining the active participation of all employees in their company's achievements. For "unless the worker comes to associate his own interests with those of his firm and as a result, accepts the introduction of new methods (which is the essence of industrial engineering), much, sometimes all, of the time and money spent on introducing them is wasted."

("Industrial Engineering." A Productivity Report. From: Office of Technical Services, Dept. of Commerce, Wash. 6. 1954. 116 pp. \$1.25. A complete list of productivity reports on particular U.S. industries and also on industry-wide problems can be obtained by writing "Looking Ahead" at NPA headquarters.)

Potential Economic Growth Of the United States by 1965

IN ANOTHER DECADE, total national demand for goods and services, at 1953 prices, may be up to \$535 billion per year compared with \$365 billion in 1953. The projection implies an increase in consumption from \$230 billion to \$357 billion, or by 55 percent over this 12 year period. This careful evaluation of the growth potential of the U.S. economy is contained in a recent report prepared for the Joint Committee on the Economic Report by the committee staff. It is based on the "best professional thinking" available in this country on longer-run economic trends.

The 1965 estimate of national production and demand is not "materially different," says the study, from the trend revealed in NPA's "The American Economy in 1960." In fact, the most significant assumptions underlying NPA's conception of the American economy are stated in an appendix to the report. The staff projection, however, carries NPA's estimates ahead five years. Much of this new data and analysis, notes the Joint Committee's staff director, was discussed with NPA's Business Committee in September, as well as with other groups.

Population growth, an expanding labor force, larger government expenditures, rising private investment, and an upsurge in consumer demand should spark the expected gains.

However, not everything in the economy is going up. Average annual hours of work, for example, should be going down--the decline, in private nonagricultural industries, taking the form of about four hours less work per week, an increase in vacation and holidays by about 20 to 25 days per year, or some combination adding up to about 200 hours less work per man per year. Also assumed are further reductions in Federal tax rates with the Federal budget in balance by 1965.

REACTION to this study has been unprecedented. Two weeks after its release, 9,000 copies had been distributed on the basis of individual requests--primarily from private business. President Eisenhower referred to these projections in a statement to the New England Council in November. And the worldwide networks of the Voice of America were

used to broadcast the message of America's economic growth to an international audience. ("Potential Economic Growth of the United States During the Next Decade." From: Supt. of Doc., Wash. 25. 1954. 35 pp. 15¢) ◀

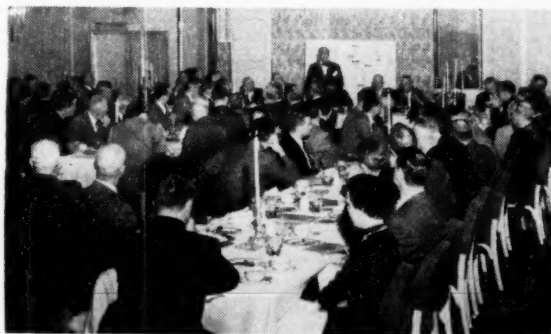
Casa Grace in Peru

THE STORY of how private U.S. enterprise can be made a welcome economic and social asset to less developed countries is told in a case study of the diverse Peruvian operations of W. R. Grace and Co. The study, "Casa Grace in Peru," is the second in a series of reports on successful private operations in various parts of the world to be released by NPA's Policy Committee for U.S. Business Performance Abroad.

The case study shows that Casa Grace has become a positive factor in many areas of Peru's economic development. At the same time, Casa Grace has developed a successful working partnership with local capital and brought Peruvian employees into the company's management.

Charles J. Symington, Chairman of the NPA Policy Committee, in releasing the Casa Grace study, said that the NPA reports of selected companies have two basic purposes: "First, we hope to prove that U.S. companies, while operating profitably, can and do contribute to the over-all development programs of many foreign countries, and that they are popular in their host countries. Second, by intensively studying the policies and methods of a few industrial and commercial operations, we hope to discover patterns which will provide valuable guides to other U.S. companies abroad and to potential private investors."

(BP-2. From: NPA. Nov. 1954. 120 pp. \$1)



The Peruvian Ambassador to the United Nations addresses a November 24 press conference in New York City which was held to announce the case study on Casa Grace's operations in Peru.

The Nation Looks at its Resources

Final report of the Mid-Century Conference on Resources for the Future.

THE NEED for a stepped-up program of research, education, and cooperation in solving America's natural resources problems is stressed in the final report of the Mid-Century Conference on Resources for the Future. The report has been issued by Resources for the Future, Inc., sponsor of the Conference held last December in Washington under the chairmanship of Lewis W. Douglas. (See "Looking Ahead" Oct 1953 and Jan 1954) Using the actual words of hundreds of participants, this book is an open forum, in printed form, on leading issues in the field of natural resources.

H. Christian Sonne, Chairman of the Board, National Planning Association, was Chairman of the Conference section on patterns of cooperation. The co-chairman of this section was Luther Gulick, an NPA Board member. Other NPA Board and Committee members served on the steering committees of the various sections.

In a signed introduction to the report, R. G. Gustavson, President and Executive Director of Resources for the Future, points out how critical the resource problem is and the varying approaches to its solution.

"The 1,600 men and women who made up the Mid-Century Conference....explored and sought to relate issues that will be before the people of the United States during the next 25 years and beyond. These issues are large. Our population is growing; our economy is expanding.... The underlying problem is the mounting pressure on natural resources.

"The Mid-Century Conference....laid the basis for better understanding of thorny issues on which contending groups still have much to learn about each other's hopes and fears.... The Conference record is a vast mine of experience, learning, and creative thinking brought to bear upon resource problems.

"Different people look at the major resource problems in different ways. Some are convinced that continued and rapid growth of world population is the chief issue--relieve this pressure and many resources problems become easier. Others are sure that technology holds the key--realize the potentialities of science and we need fear no lack of

the things we really need.

"Still others see no unified pattern, but a series of separate situations that we must meet as best we can. There also are differences of more immediate interest. Resources like ores and oil, timber and crops, mean jobs and profits both now and in the future to millions of people. On the other hand, many of these same resources are seen by organizations and individuals primarily as a national heritage to be shared with future generations."

"It is difficult to see how some can be entirely reconciled even over long periods. But they must be taken account of if we are to make the most of our resources. Its very diversity is what gave the Conference its strength and made its work worth while."

THE REPORT is based principally upon the verbatim transcript of proceedings in the eight sections of the Conference. These were: competing demands for the use of land; utilization and development of land resources; water resource problems; domestic problems of nonfuel minerals; energy resource problems; U.S. concern with world resources; problems in resources research; and patterns of cooperation. 536 conference participants, representing diverse experience and viewpoints, are quoted.

The full transcript of the Conference ran to nearly 2 million words but the published report only covers about one-fifth of the material. Included are texts of addresses by President Eisenhower and Mr. Douglas, a condensation of a basic background paper, "A Mid-Century Look at Resources," prepared by The Brookings Institution, and summaries of addresses and discussion at two special sessions on "The Public Lands--Who Should Control Them?" and "How Much Should We Depend on Foreign Resources?" In addition, the report carries lists of conference officers, sponsors, and staff; complete registration of participants by sections; and a guide to principal subjects discussed.

("The Nation Looks at its Resources." From: Mid-Century Conference Report Office, 1606 New Hampshire Ave., Wash. 9. 1954. 432 pp. \$5)

On The States of the Nation

THE AMERICAN COMMONWEALTH series on the government and administration of each of the 48 states and the four major territories should be a welcome addition to the meager number of good books on this vital subject. Editor of the series is W. Brooke Graves, Chief of the Government Division, Legislative Reference Service, Library of Congress. So far, books on Florida, Mississippi, New York, and Wyoming have been published. Five more on Georgia, Iowa, Montana, North Carolina, and Ohio are coming soon.

Mr. Graves discusses the need for the series in a signed introduction. "The states have always been, and they are today, the key units in American federalism. . . . For some reason not readily apparent, the states--vital though they are to our federal system--have seldom been given the attention they deserve.

"These studies are being written by carefully selected scholars, each particularly qualified to write on the government of his own state. Many of the authors are political scientists with nation-wide reputations. Working together as members of a team, they are attempting, in many states for the first time in the history of the state, to present a complete description and analysis of state governmental institutions and procedures on a sound scholarly basis."

(From: Thomas Y. Crowell Co., 432 Fourth Ave., N. Y. 16. 1954. \$4.95 each; except for book on New York which is \$5.95) ◀

Toward A Stronger Foreign Service

AN ESSENTIAL part of this country's foreign policy machinery is the State Department's Foreign Service. Its staff is responsible for manning U. S. embassies, legations, and consulates in 105 countries; it carries out official policies, negotiates treaties, and reports on developments abroad which have a bearing on the formulation of U. S. policy. In view of the Service's importance in the conduct of foreign relations, the question of its effectiveness is naturally of vital concern to top Government officials.

During the past five years, three groups of outstanding citizens were established to look into the personnel organization of the State Department, to diagnose its problems

and recommend changes. The third group--the Secretary of State's Public Committee on Personnel, headed by Henry M. Wriston, President of Brown University, with John H. Whitney, Senior Partner of J. H. Whitney and Co. and NPA Board Member, as Vice Chairman--has recently reported its findings to the Secretary.

This Committee feels that three barriers impair the effective functioning of the Foreign Service. These are lowered public confidence in the State Department, a decline in morale and discipline within the Department, and insufficient personnel. The reasons behind these findings require an understanding of the situation in which the State Department has operated since World War II.

OUR GLOBAL responsibilities expanded tremendously in the postwar period, but there was no corresponding increase in the number of Foreign Service career officers at either the junior, middle, or upper levels. Compared with other governments, says the Committee, the Foreign Service officer corps is exceedingly small.

The Foreign Service rests on its own statutory foundation with recruitment, training, promotion, and retirement procedures that are entirely different from those of the civil service officials in the departmental service in Washington. Consequently, the conduct of American foreign policy, says the Committee, "rests on personnel both responsible to the Secretary and working together on common problems, yet separated into two fundamentally different personnel systems." This has given "rise to a sense of separateness where there should be a pervading sense of oneness." The personnel structure is complicated further, the Committee points out, by the Foreign Service's internal subdivision into three categories--officers, reserve officers, and staff--each with different terms of employment.

Adequate exchange of skills and experience is also blocked by the physical separation of Foreign Service personnel and high level departmental officials. For example, 45 out of 197 officers with more than 20 years experience in the Foreign Service have served only two years or less in the United States. In addition, the skills of those Washington officials in the State Department who are specialists in economics, labor, agriculture, etc. are not available to the diplomats overseas.

TO CURE these ills, the Committee makes a number of recommendations. *continued*

It proposes the integration of the Foreign Service and departmental personnel systems where their functions and responsibilities meet. In place of a Foreign Service officer corps of about 1,300, serving almost exclusively overseas, about 3,900 foreign service positions would be created, with over one-third of these located in Washington. Rotation between Washington and abroad would be ensured, since everyone holding foreign service positions would be obliged to serve overseas.

Another change recommended by the Committee is in the recruitment process. It is the Committee's belief that full public support for the Foreign Service will not be forthcoming until the Service "becomes more broadly representative of American life." The way to accomplish this, says the Committee, is to set up the recruitment program on a truly nationwide basis and to bring the entire program closer to the colleges and universities. An important feature of this system would be the inauguration of a scholarship training program patterned after the Navy's Reserve Officer Training Corps.

Most Committee recommendations have been accepted by the Secretary of State and are being put into practice or are awaiting legislative approval. The personnel integration program is scheduled to be completed in three years; an overhaul of the recruiting machinery is under way. Legislation to implement the scholarship training program was

introduced this year and probably will be reintroduced during the 1955 session of Congress. ("Toward a Stronger Foreign Service." Report of the Secretary of State's Public Committee on Personnel. From: Supt. of Doc., Wash. 25. 1954. 70 pp. 30¢) ◀ ◀

World Bank

A FULL report on the organization and operations of the International Bank for Reconstruction and Development has been prepared by the Bank staff. Covering the years 1946-53, the report describes the purpose, organization, and financial structure of the Bank; examines the Bank's major operational policies and the general character of its operations; and concludes with a country-by-country summary of Bank activities. (From: The Johns Hopkins Press, Balto. 18, Md. 1954. 273 pp. \$4) ◀ ◀

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LOOKING AHEAD is published 10 times a year. Permission is granted to quote from or reprint specific articles, unless otherwise stipulated, provided credit is given to LOOKING AHEAD and the National Planning Association.

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looking ahead

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Vol. 2, No. 9



December 1954

Form 3547 Requested



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Washington, D. C.
Permit No. 1819

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